Upgradation of Sardar Vallabhbhai Patel International Airport

3677. SHRI BANGARU LAXMAN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the proposal for upgradation of the Ahmedabad Airport named as Sardar Vallabhbhai Patel International Airport is pending with Government;

(b) whether the State Government of Gujarat and its people are very much concerned in this regard and the State Government has many times in the past approached the Central Government in the matter;

(c) if so, the details thereof and facts thereon;

(d) whether Government are not concerned to give recognition to the great freedom fighter and builder of the nation in the Golden Jubilee Celebration year of the Independence; and

(e) if so, the reasons for delay?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) to (e) Airports Authority of India has provided Rs. 4 crores in the Annual Plan 1997-98 for this purpose. There exists a provision of Rs. 20 crores in the Annual Plan for 1998-99. Airports Authority of India has floated tenders for extension of runway from 9,000 ft. to 11,500 ft. and strengthening of associated payments at a cost of Rs. 48.50 crores for operation of B-747 type of aircraft. This work is likely to be completed in two years from the date of its award. AAI is also planning upgradation of the terminal building.

Appointment of Chairman for AAI

3678. SHRI P. PRABHAKAR REDDY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the Airports Authority of India (AAI) is without a Chairman for the last two or three years; and

(b) if so, the reasons therefor and by when this position is likely to be filled?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) and (b) No, Sir. The post of Whole-time Chairman in the Airports Authority of India (AAI) became vacant on 14.10.1996 and the Joint Secretary in the Ministry of Civil Aviation had been holding additional charge of the post till the appointment of the new Chairman. On the basis of the recommendations of the Public Enterprises Selection Board and with the approval of the competent authority Shri D.V. Gupta has been appointed as Chairman, AAI with effect from 6.7.1998.

Grants to Indian Airlines

3679. SHRI YERRA NARAYANA-SWAMY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government has prepared a plan to release Rs. 475 crores to Indian Airlines to implement a "Turn-around" strategy;

(b) if so, the details of the scheme on which Rs. 475 crores will be spent;

(c) whether it is a fact that further doses of financial grants are necessary for aircraft acquisition;

(d) whether any plan has been devised to make Indian Airlines to shed excess staff and wasteful expenditure; and

(e) if so, the details of such a plan?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) and (b) A Committee was constituted in February, 1995 under the Chairmanship of Dr. Vijay Kelkar, former Secretary, Petroleum and Natural Gas to examine the reasons for losses in Indian Airlines and develop strategies for turning around Indian Airlines in the

context of the market environment. The Committee recommended a financial Strategy of Rs. 922 crores in the form of compensation, subordinated loan, equity and contribution by Indian Airlines and its employees. Of this, Rs. 475 crores is to be provided by the Government. This amount will be spent on strengthening of the Balance Sheet with improved debt equity ratio and thus enabling Indian Airlines to access the capital market.

(c) No, Sir.

(d) and (e) Steps taken by Indian Airlines to cut costs and reduce its staff strength are given below:—

(i) Closure of off-line stations and reduction in booking offices; (ii) Reduction in overtime; (iii) Ban on sponsorship of events and provisions of free tickets in large numbers; (iv) Ban on recruitment; (v) Drastic cut in the expenditure on office buildings; (vi) Rationalisation of transport and canteen facilities; (vii) Freeze on capital expenditure; (viii) Reduction in frequencies of loss making routes.

Clearance of Tata Airlines Project

3680. SHRIMATI MALTI SHARMA: SHRIMATI VEENA VERMA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government have cleared the TATA Airline Project with 40% foreign equity participation;

(b) the details of the project, and the foreign equity participation, indicating the foreign collaboration and how far it would be in the form of import of technology and know-how; and

(c) how far the collaboration is in conformity with the revised Aviation Policy?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) and (b) In January, 1998 M/s Tata Industries submitted a proposal to Foreign Investment Promotion Board (FIPB) for foreign equity of 40% amounting to Rs. 332 crores in M/s Tata Airlines Pvt. Ltd. by issue and allotment of equity shares upto a mixiumum of Rupee equivalent of US $83.00 million (around Rs.332 crores) to Foreign Institutional Investors. The proposal also involved technical collaboration by M/s Singapore Airlines. The proposal envisages a fleet of 18 aircraft in 5 years. The Technical Service Agreement Fee amounted to Rs. 197 crores (US $49.25 million) to be paid over 5 years. This proposal is under consideration of FIPB.

(c) This is under examination.

Naming of new international airport at Ernakulam

3681. SHRI O. RAJAGOPAL: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that a new international airport near Ernakulam is nearing completion;

(b) whether Government have received any representation recently about naming this airport after Adi-Shankaracharya as his birth place is very close to the airport; and

(c) if so, what action is proposed to be taken in the matter?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) An airport of international standards is being developed near Ernakulam.

(b) and (c) Yes, Sir. A view will be taken in the matter after due consideration.

Commissioning of new Domestic Terminal at Delhi Airport

3682. SHRI JOHN F. FERNANDES: Will the Minister of CIVIL AVIATION be pleased to state:

(a) when the new Domestic Terminal at Delhi Airport was tendered to be commissioned and completed;